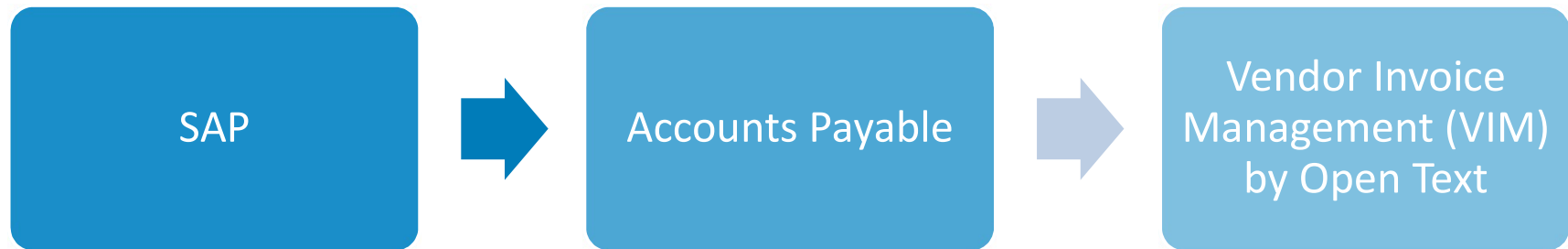


Bernalillo County

- Our journey:



- Impacts of VIM to:



Bernalillo County

- Located in central New Mexico
- Incorporates the City of Albuquerque
- Population 662,562
- Employs ~2,500 full time employees
- 5 Commissioners – elected by district
- 5 Elected Officials – Assessor, Clerk, Probate Judge, Sheriff, and Treasurer are elected countywide
- County Manager oversees 30 county departments that range from animal services to zoning



SAP Implementation

- Went live with SAP in July 2008 – “Failure is not an option”
 - ECC, SRM & Portal
- ERP Module Landscape
 - General Ledger
 - Controlling
 - Funds Management
 - Grants Management
 - Accounts Payable & [Vendor Invoice Management](#)
 - Accounts Receivable/ PSCD
 - Materials Management
 - SRM
 - Inventory Management
 - Asset Accounting
- 11 month implementation
 - On-time & within budget
 - Project Systems
 - Cash Management
 - Treasury Management
 - Plant Maintenance & [Mobile Work Manager](#)
 - HR Mini-Master
 - Budget Prep (Controlling)
 - Cross Application Timesheets
 - [Business Intelligence/Business Warehouse](#)
 - [Travel \(Portal\)](#)
 - [Governance Risk & Compliance](#)

Accounts Payable

- **Pre-SAP**

- Legacy mainframe system
- Encumbrance worksheets in Excel
- Paper purchase requisitions & purchase orders
- Invoices hand-delivered to AP by departments
- 2-way match (PO & Invoice)

- **SAP 2008 – 2012**

- Invoices entered using MIRO or FB60
- SRM shopping carts & purchase orders
- 3-way match (PO, Invoice & Goods Receipt)
- Decentralized invoice receipting
- Invoice would be delivered to AP (hard copy, email) by departments

Accounts Payable

- **SAP 2008 – 2012 (continued)**
 - AP would check if GR in the system
 - Post invoice
 - write SAP doc # on invoice
 - scan & attach image to doc in SAP using 3rd party system for attachments
 - If no GR in the system
 - AP would email department scanned copy of invoice
 - AP ask department to enter GR
 - Invoice tracking & process to pay was a nightmare
 - AP processors with stacks of invoices on their desks awaiting GRs
 - Departments would send duplicate copies of invoices to AP
 - AP unable to pay invoice until department entered GR

Accounts Payable

- **SAP – 2008 – 2012 (continued)**
 - AP's hands were tied until department entered GR
 - CFO was pushing AP to pay invoices without GR
 - Even requesting that AP enter GR (AP Manager did not allow)
 - ERP team was asked to make system configuration changes:
 - Enter Invoice before GR
 - Caused many issues later
 - GR/IR mismatch report

Pain Points

- Invoices were everywhere (except in the system)
- AP could not tell: how many or how much
- Vendors would call Commissioners
 - AP has no visibility to the invoice
 - AP would call the department/vendor
 - Request the invoice
 - Rush the payment process
- AP Manager wanted to central invoice receipts
 - Had no way to control it
 - Departments would tell vendors to send them the invoices
- Departments wanted to see the invoice & approve it



Journey for an Automated AP Solution began

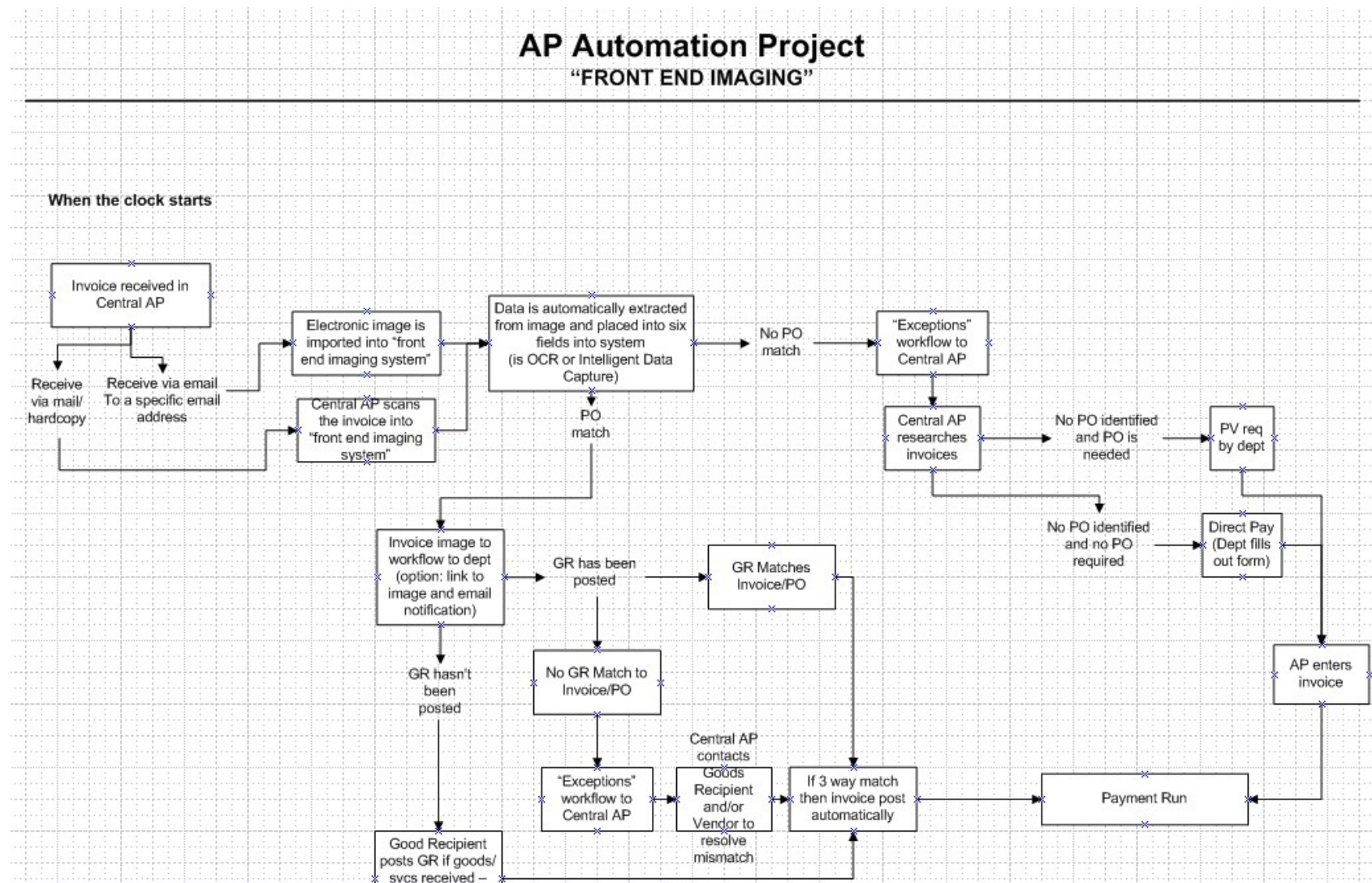
- AP Manager attended a conference in 2009 – the vision was born
- **VISION**
 - Centralize receipt of invoices
 - Scan and capture data and images of invoices
 - Workflow invoices to an approver
 - Creating visibility of the liability and every step in the invoice process



Automating AP

- **AP Manager had to sell the vision to CFO, departments, & County leaders**
 - Pain points had to be addressed
- **Began process of explaining needs to ERP**
 - Standard SAP functionality analyzed
 - Challenging for AP Manager to explain the vision
 - Management of AP changed
 - Asked AP Manager to walk through the process (white board it)
 - Vision finally clear to the organization!

AP White board drawing of the vision



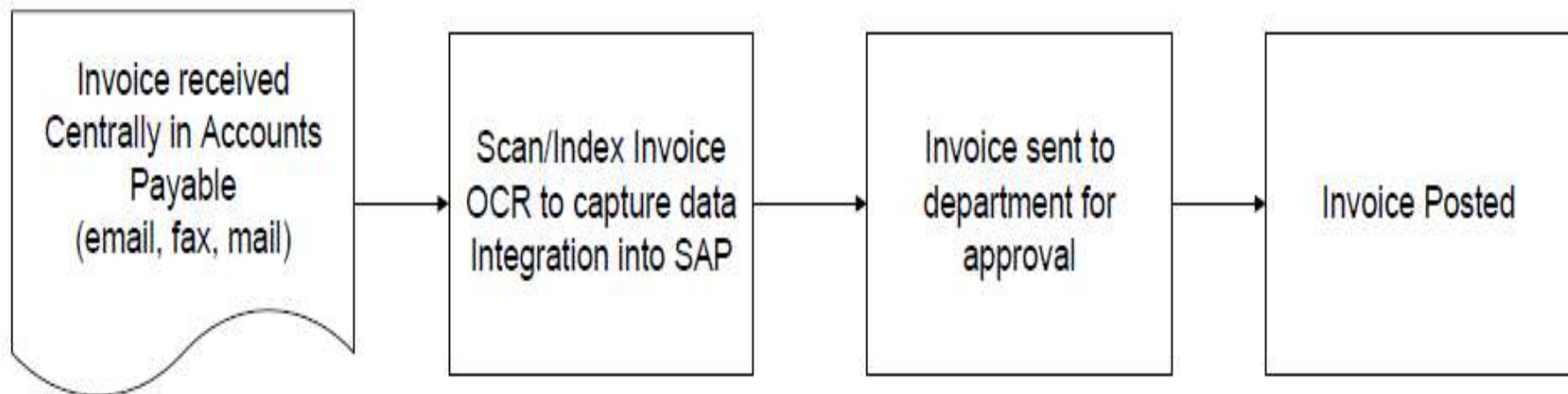
AP Vision & Requirements to bring it to life

- AP needed to get it into the system quickly
- Departments want to see the invoice

- AP wanted seamless integration to SAP
- AP processor job changes from data entry to validation & handling exceptions

- Departments wanted to approve invoice before payment
- # of approvals varies by department

- 3-way match
- System checks for duplicates
- Pay vendors within payment terms



Vendor Invoice Management (VIM)

- **Why VIM?**
 - Chosen over other 3rd party solutions due to its integration with SAP
 - Looks & feels like SAP
 - Other solutions didn't have this
 - Didn't want integration issues or another logon
 - Provided the automated solution
 - Front end imaging & OCR for greater efficiency
 - Workflow Approvals
 - Data elements captured for reporting
 - Aging reports
 - Performance measures
 - Addresses audit concerns of timely invoice payments
 - Cash Flow Reporting

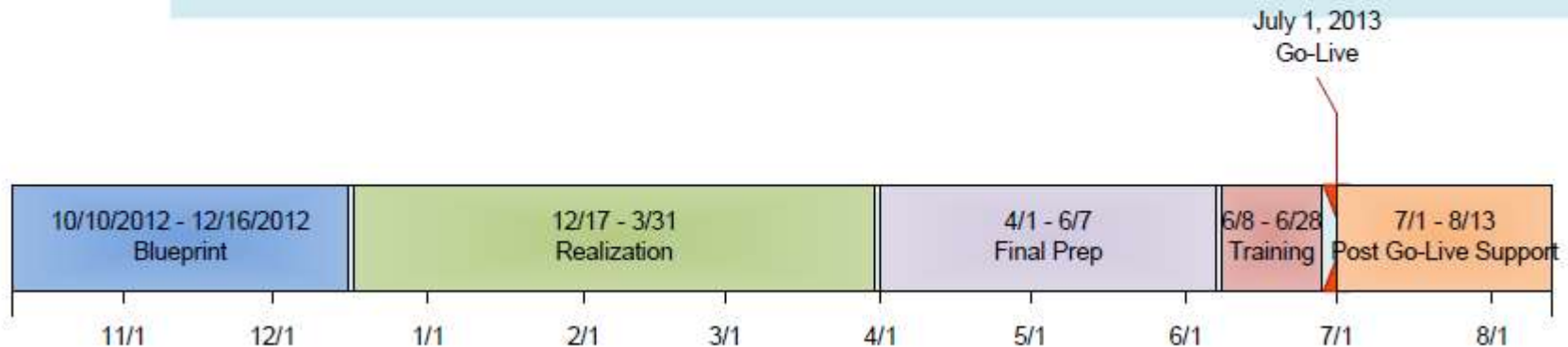
Success Indicators – Driving Factors for Implementation

	Success Indicators
SI # 1	Treasury accurately forecasts the short term and upcoming cash needs for the warrant account and visibility to upcoming vendor payments
SI #2	Eliminate manual approval process for warrants exceeding 250K
SI #3	Invoices are work flowed to the Goods Recipient for approval of the invoices
SI #4	Invoices are visible upon AP scanning into SAP within 2 business days of receipt
SI #5	<p>Six data elements are available real time, captured, tracked and reported:</p> <ol style="list-style-type: none"> 1) Invoice receipt date: the date that the county received the invoice through AP 2) Invoice date: the date on the vendor's invoice 3) Invoice Posting Date: date the invoice was posted in SAP 4) Payment Date: date the check/warrant was generated 5) Goods Posting Date: Date the Goods Recipient enters the GR into SRM 6) Invoice Approval Date: Date the Invoice approved in workflow
SI #6	AP analyzes spend on the following elements: commodity, vendor, monthly, quarterly, annually by fiscal year, any date range

VIM Implementation

- 8 month timeline
- Fiscal year go-live – July 1, 2013
- Strong focus on:
 - Communicating changes to departments & vendors
 - Training end users

Invoice Management & Automation Project



Pre-VIM & Post-VIM

- Impacts to:

Accounts
Payable

Departments

System
Configuration

Reporting

Pre-VIM vs. Post-VIM – Accounts Payable

Pre VIM

- Invoices touched multiple times by AP (Scan, email, follow up on GR, pile on desk, wait, eventually post)

VIM

- AP touches invoice only to scan/validate & index/post

VIM Process – Phase II



Pre-VIM vs. Post-VIM – Accounts Payable

Pre VIM

- Invoice rejected, manual process to notify AP invoice is not valid

VIM

- Invoice rejected, department rejects and workflows back to AP processor to obsolete or resubmit for approval

Pre-VIM vs. Post-VIM – Accounts Payable

Pre VIM

- All communication was phone or email, nothing tracked in the system

VIM

- AP can insert comments in the document and workflow to department & GR/approver can insert comments for AP

AP Comments for Department

Process Bernco PO Invoices - w/OCR FAX 000000065034

Comments Image Obsolete Rescan Help Bypass/Simulate Business Rules

OPEN TEXT Vendor Invoice Management™ for SAP® Solutions

Time Zone: MST

Dashboard Index Data

Document Data

Document Id	65034	Doc. Type	PO_BERN_F	Indexed On	05/05/2015	Changed On	05/06/2015
Document Status	Approval Complete	Index User	WF-BATCH	Changed By	WF-BATCH		
Process Type	Manual Check Needed for Indexing			SAP Object			
Archive Id	F3	Document Type	ZFIAPPOF	Doc. ID	aaaa1kjdx1cfksg3yqaaaf		
Archived On	05/05/2015 09:08:40	Archived By	RVIGIL				

Process Options for PO AP Processor - Document Processing

Option Short Text	Option Text	Receiving Actor
Change Doc Type	Change Doc Type	
Post PO Invoice	Post PO Invoice	
Run Business Rules	Re-apply Business Rules	
Submit For Approval	Submit For Approval	
Refer	Refer to Vendor Maintenance	VENDOR MAINT
Refer	Refer to PO Invoice AP Processor	PO AP PROC
Request GR	Request GR	
Refer	Refer to AP Manager	PO AP MGR

Process Log

Comm	Activity	Document Status	Actual Role	Actual Agent	Start Date	Start Time	End Date	End
	Business Rules Check in BG	Approval Complete	PO_AP_PROC	WF-BATCH	05/06/2015	08:39:15	05/06/2015	08:3
	Approval Workflow	Approval Complete		WF-BATCH	05/06/2015	08:39:15	05/06/2015	08:3

Display Comments 00000006503400010

Open Text Corporation © 2007

Previous Comments

Changed By : NCANDELARIA
Changed On : 05/06/2015 08:36:54

Testing comments section for VIM. Your GR has been completed, please approve only.
Thanks.

Continue Cancel Full Screen

Pre-VIM vs. Post-VIM – Accounts Payable

Pre VIM

- Manual process to identify duplicate invoices

VIM

- AP set criteria for suspected duplicate invoices; multiple system checks

Suspected Duplicate Checks

- Configured suspected duplicate checks:
 - Check 1: Reference Number & Vendor OR
 - Check 2: Vendor, Invoice Date & Amount

Application

PO - PRD - Invoice Capture Center

Open Submit Cancel Add row above Append row Fit to window Zoom in Rotate left Previous Layout: Vertical
Vendors Submit-Open Reject Delete row Delete all rows Fit to width Zoom out Rotate right Columns: 2
Mark for training Validation Invoice Items Add row below Add row below Fit to height Field names: Above View

Vendor Number: 0000200531
NEVES UNIFORMS INC
5120 OSAGE ST 200
80221 DENVER

Remit to Country: US
Remit to House No: 5120
Remit to Street: Osage St.
Remit to City: Denver
Remit to Region: CO
Remit to Postal Code: 80221
Ship to Country: US
Ship to House No: 1
Ship to Street: CIVIC PLAZA
Ship to City: ALBUQUERQUE, NM
Ship to Region: NM
Ship to Postal Code: 87102
Reference Number:
Document Date:
Document Received Date:
PO Number:
Gross Amount:
Tax Rate:
Total Tax Amount:
Currency: USD
Credit Memo:
PO Number List:
Invoice Items:
PO No Deliv. Note No Order Unit Quantity Unit Price Tax Amount Tax Rate Amount Debit/Credit
Submit-Open Document number: 000000064689

NEVE'S
UNIFORMS & EQUIPMENT
Toll Free: (800) 630-2015
ACCT# 1054

Remit To Corporate Office
5120 Osage St. #200
Denver, Colorado 80221
(303) 444-7000 Fax(303) 444-4407
855 E. Franklin Blvd. #150
Colorado Springs, Colorado 80903
(719) 593-1244 Fax(719) 593-0972

6 LOCATIONS TO SERVE YOU
2520 Ben Momo N.E.
Albuquerque, New Mexico 87110
(505) 266-0857 Fax(505) 266-0358
2838 Camino Redondo #200
Santa Fe, New Mexico 87507
(800) 674-3628 Fax(505) 874-0197
317 E. 24th, Patrick St.
Rapid City, South Dakota 57701
(605) 396-1000 Fax(605) 396-1004
2816 16th St. West #2
Blaine, MN 55425
(763) 382-1100 Fax(763) 382-2775

BILL TO: TERNAJILLO COUNTY SHERIFFS DEPT
ONE CIVIC PLAZA NW
10TH FLOOR ROOM 10045
ALBUQUERQUE NM 87102-
SHIP TO: TERNAJILLO COUNTY SHERIFF DEPT
1 CIVIC PLAZA
ALBUQUERQUE NM 87102-

DATE	SALES CLERK	SHIP VIA	PRINT TYPE	CUSTOMER PO NUMBER	INVOICE NO.
04/29/2015	PEREY		R ACT	3900008751	AB-102538

LOT NUMBER	QTY	SHIPPED	DESCRIPTION	UNIT PRICE	SUB TOTAL
6280	1	1	HID RISE LEVEL	139.95	139.95
1721	1	1	BELT RANGER (SM) 1 3/4" NW COMPLETE THANK YOU !!	25.95	25.95

TERNAJILLO COUNTY SHERIFFS DEPT
2015 APR 30 AM 8:50

EMPLOYER: GONZALES/MORA

LISTING OF BACKORDERS

TERMS: Net 30 days - SERVICE CHARGE OF 1.5% per month on unpaid balance.
THIS INVOICE IS SUBJECT TO THE TERMS AND CONDITIONS APPEARING HEREON AND ON THE REVERSE SIDE OF THIS INVOICE
AND BY ACCEPTING THIS INVOICE THE PURCHASER AGREES TO BE BOUND BY ALL THE TERMS AND CONDITIONS AND WAIVES
CONFLICTING TERMS AND CONDITIONS SET FORTH IN ANY ACCEPTANCE DOCUMENT AMONG PURCHASE ORDER.

PACKING LIST

AUTHORIZED SIGNATURE

FREIGHT: 9.00
ORDER SUBTOTAL: 165.90
TAX: 0.00
TOTAL AMOUNT DUE: 165.90

Pre-VIM vs. Post-VIM – Accounts Payable

Pre VIM

- No automated invoice approvals; manual process to determine who to contact to enter GR

VIM

- Invoices that cannot find a Goods Recipient workflow to AP Management to determine correct GR (PO # is key!)

Pre-VIM vs. Post-VIM – Department

Pre VIM

- Manual invoice approval process; AP posts

VIM

- Invoice processed as a DP doc in VIM (no parked document in SAP) using standard VIM functionality

Pre-VIM vs. Post-VIM – Department

Pre VIM

- Manual process (email scanned copy of invoice) to notify department to enter GR and approve Invoice; no traceability

VIM

- Automated notification to department to enter GR; AP processor has a button to send notification

AP Sends GR Notification to Department

Process Bernco PO Invoices - w/OCR FAX 000000064385

Comments Image Obsolete Rescan Help Bypass/Simulate Business Rules

OPENTEXT | Vendor Invoice Management™ for SAP® Solutions

Time Zone: M

Dashboard Index Data

Document Data

Document Id	64385	Doc. Type	PO_BERN_F	Indexed On	04/28/2015	Changed On	04/30/2015
Document Status	Approval Complete	Index User	WF-BATCH	Changed By	WF-BATCH		
Process Type	Manual Check Needed for Indexing	SAP Object					
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Archived On	04/27/2015 16:08:02	Archived By	RVIGIL				

Process Options for PO AP Processor - Document Processing

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Submit For Approval	Submit For Approval	
Refer	Refer to Vendor Maintenance	VENDOR_MAINT
Refer	Refer to PO Invoice AP Processor	PO_AP_PROC
Request GR	Request GR	
Refer	Refer to AP Manager	PO_AP_MGR

Pre-VIM vs. Post-VIM – Department

Pre VIM

- AP posts credit memo, no notification to department

VIM

- Workflow approval of credit memo; AP posts credit memo

Pre-VIM vs. Post-VIM – Department

Pre VIM

- Bond funded invoices require a manual approval process (paper forms; all departments required to submit to bond accountant)

VIM

- Special except approval (2nd level of workflow approval) for bond funded invoices – looks at all lines on the PO for bond fund

Pre-VIM vs. Post-VIM – System Configuration

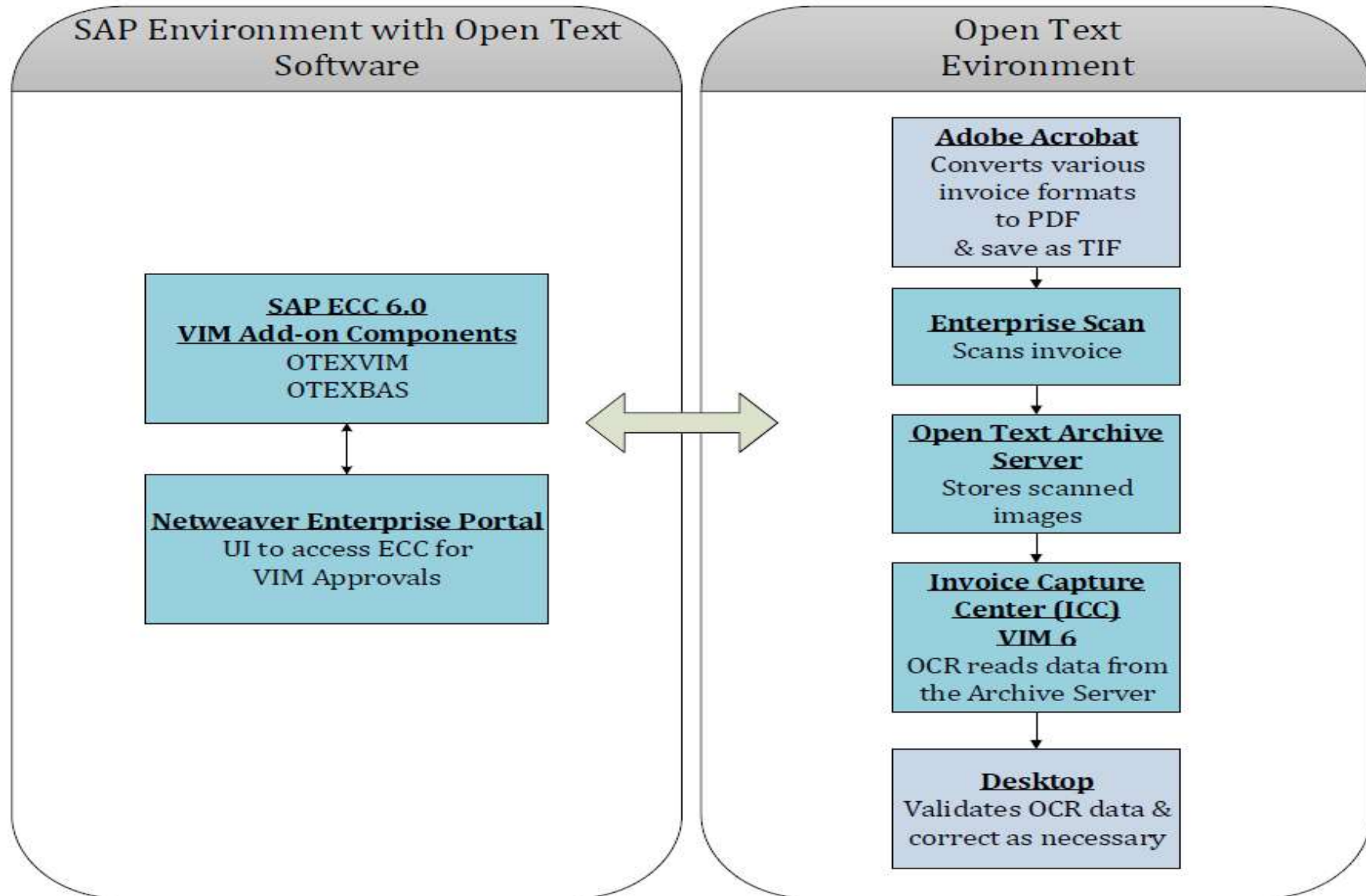
Pre VIM

- No automated system

VIM

- Implement standard VIM functionality whenever possible, results in accurate processing and reporting (initially custom code was developed for notifications, workflow, parked documents)

System Landscape



Pre-VIM vs. Post-VIM – System Configuration

Pre VIM

3rd party document viewing system enhanced to work with SAP (backend scanning); difficult to use

VIM

- Open Text Viewer used to view invoices (initially used Windows Photo Viewer; printing or emailing image difficult)

Pre-VIM vs. Post-VIM – Reporting

Pre VIM

No reporting or tracking of steps in the process; difficult to identify bottlenecks

VIM

- VIM Analytics report tracks DP stages (e.g. scanned, workflowed, etc.); realistic picture of liability & bottlenecks

Pre-VIM vs. Post-VIM – Reporting

Pre VIM

No reporting of outstanding liabilities; only reporting possible was for posted invoices

VIM

- VIM Analytics; Custom reports developed; Next: VIM Central Reporting for high level analytics/dashboard type reporting

Pre-VIM vs. Post-VIM – Reporting

Pre VIM

No performance measures; no ability to report on steps in the process as they are not in the system

VIM

- Established performance measures & developed performance measure reports to track post go-live

Performance Measures

AP Performance Measure

- 95% of invoices are scanned & validated within 2 business days of receipt

Department GR/Approval Performance Measure



- 95% of invoices are approved and goods receipted within 5 business days of invoice delivery via workflow

AP Performance Measure

- 95 % of invoices are indexed within 5 business days of invoice delivery via workflow

Performance Measure Reports

VIM Department Performance Measure Reports-Purchasing

-  ZVIM_INV_DIV - VIM Performance Measure - DIVISION
-  ZVIM_INV_SUM - VIM Performance Measure - Dept Sum
-  ZVIM_INV_DETAIL - GR/INV Performance -Detail-

Countywide Division Report

Invoice Approval Performance Measure -Divisions Report-																				
Division / Department	Σ Total Amount	Σ Total Invo.	Σ Amount 0-5 Da.	Σ # Invoices	Percent	Σ Amount 6-15 Days	Σ # Inv.	Perce.	Σ Amount 16-30	Σ # In.	Percent	Σ Amount 31-60	Σ # In.	Perce.	Σ Amount 61-90	Σ # In.	Percent	Σ Amount 91+	Σ # I.	Percent
County Manager	71,600.70	41	50,333.80	15	36.585	12,042.99	12	29.26...	237.04	1	2.439	2,963.99	3	7.317	5,139.95	8	19.512	882.93	2	4.878
Budget and Finance	186,343.63	449	24,081.14	18	4.009	25,914.53	35	7.795	89,166.54	128	28.508	17,748.58	112	24.9	27,671.32	153	34.076	1,761.52	3	0.668
Community Service	137,501.54	90	59,238.91	37	41.111	55,555.07	39	43.33...	2,700.72	7	7.778	4,881.49	3	3.333	15,125.35	4	4.444			
Public Safety	1,705,013.91	126	1,609,981.28	45	35.714	64,930.02	72	57.14...	25,196.11	6	4.762	17,001	1	0.794	19,464.02	2	1.538	4,889.50	2	1.587
Public Works	1,413,194.74	130	620,945.48	51	39.231	422,794.41	42	32.30...	189,041.79	18	13.846	156,871.21	15	11.5	19,464.02	2	1.538	4,077.83	2	1.538
	3,513,654.5	836	2,364,580.61	166		581,237.02	200		306,342.20	160		182,482.27	134		67,400.64	167		11,611.78	9	

Department Report

Invoice Approval Performance Measure -Departments Summary-																				
Division / Departmen	Σ Total Amount	Σ Total Inv...	Σ Amount 0-5...	Σ # In...	Percent	Σ Amount 6-1...	Σ # Inv...	Percent	Σ Amount 16-...	Σ # Inv...	Percent	Σ Amount 31-60	Σ # In...	Percent	Σ Amount 61-90	Σ # In...	Percent	Σ Amount 91+ Day...	Σ # In...	Percent
Budget and Finance	122.91	1	122.91	1	100.00...															
Accounting	6,264.37	4	263.07	2	50.000	5,701.30	1	25.000				300.00	1	25.000						
Budget & Business I...	129,788.40	419	7,854.56	9	2.148	5,396.58	11	2.625	71,615.65	143	34.129	16,823.40	102	24.344	27,127.12	152	36.277	971.09	2	0.477
Purchasing	5,134.97	10				4,188.38	1	10.000				946.59	9	90.000						
Risk Management	13,558.45	7	12,616.09	4	57.143	809.86	2	28.571				132.50	1	14.286						
Treasurer	4,012.10	1	4,012.10	1	100.00...															
Assessor	45,988.51	10	15,310.71	7	70.000				103.20		10.000	30,030.40	1	10.000	544.20	1	10.000			
	204,869.71	452	40,179.44	24		16,199.32	16		71,615.65	143		48,232.89	114		27,671.32	153		971.09	2	

Detail Report

[illegible]

VIM Implementation Lessons Learned

- Success Indicators
- Performance Measures
- Implementer that knows the latest version of VIM; use standard VIM functionality
- Follow a proven project implementation methodology
- No implementation is perfect
 - plan for post go live support, changes, fixes
- Reports
 - Utilize standard reports as much as possible
 - Plan for some custom for performance measure tracking
 - Central reporting for dashboard reports

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